

The Townsend Group

Overview of Due Diligence Process

Communicating with Townsend

Townsend has implemented a single point of contact for new investment ideas to ensure all managers have equal access; regardless of platform size or length of track record.

All offering materials and updated information should be submitted to:

duediligence@townsendgroup.com

Once an offering has been registered in our database, we will request updates on your fundraising process as well as performance data for prior investments on a quarterly basis until the final closing.

This data will be used by more than 90 Townsend professionals around the world to evaluate the offering, so please respond to these requests in a timely manner to ensure we have the most current information available for both our advisory and discretionary client portfolios.

We encourage you to continue direct dialogue with our advisory clients, as this may bring forward previously unidentified investment opportunities.

Screening

Documents Required

- Offering Materials
- Initial Due Diligence Questionnaire
- Fund-Level Questionnaire for prior investment performance

Process Description

- Offering materials are received and the investment opportunity is registered in the firm-wide database.
- The manager is sent an Initial Due Diligence questionnaire to complete, which is then uploaded to the database.
- The investment opportunity is reviewed to determine whether it is consistent with Townsend's view of the best investment ideas and whether there is client appetite for the general strategy.
- This may entail an initial meeting with the manager, whether by telephone or in person, to gather more information.

Underwriting

Documents Required

- Comprehensive Due Diligence Questionnaire
- Further information as deemed necessary by underwriting team

Process Description

- Should the opportunity satisfy our initial screening criteria, an underwriting team is assigned and comprehensive due diligence is conducted.
- During the due diligence process, Townsend internally shares all notes in order to better determine suitability for particular client portfolios, even if the investment theme is not broadly recommended.
- Offerings that do not satisfy our screening criteria are tracked for performance and management team updates.
- Performance data submissions are required so the investment opportunity can be continuously vetted.

Recommendation

Documents Required

- Further information as deemed necessary by Investment Committee

Process Description

- If due diligence confirms the suitability of the investment, a recommendation is presented to and vetted by Townsend's Investment Committee.
- The Investment Committee oversees all investments made for discretionary clients and recommendations to advisory clients.
- The Investment Committee may approve or reject an investment, or request that additional due diligence be conducted.
- If approved, the manager will be immediately contacted by a Townsend Consultant or Portfolio Manager.

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